Remarks

Claims 1-107 were pending in the application. All of the pending claims were rejected to for various reasons that are described below. Claims 50-89 have been canceled without prejudice or disclaimer to the subject matter recited therein, and claims 33, 90, 102, and 106 have been amended. The rejection of claims 1-49 and 90-107 are respectfully traversed as it is submitted that the cited references do not disclose or suggest the features recited therein.

Below is a paragraph by paragraph response to the Office Action.

In paragraph one of the Office Action, the Examiner stated that the declaration was defective because several inventors did not date their signature. A substitute declaration will be submitted with the formal response to this Office Action. However, the Applicant points out that per MPEP § 602.05 the date of execution is no longer required.

In paragraphs 2 and 3 of the Office Action, the Examiner states that the application fails to claim priority because the application number was incomplete as written in the specification "(60/???,???)". The applicant submits that the application number for the provisional application was not known (Filing Receipt had not been received from the USPTO) at the time of the filing of this application. The applicant has amended the specification to include the complete application number for the provisional application 60/347,104 for Attorney docket number T742-00 filed on January 9, 2002. In addition, the Applicant submits a copy of the filing receipt for the provisional application showing the docket number and filing date with associated application number. The applicant submits that the priority for this application should now be recognized by the Examiner.

In paragraph 4 of the Office Action, the Examiner objected to the specification because the provisional application number was missing. As noted above with respect to paragraphs 2 and 3 of the Office action, the specification has been amended. The objection should according be withdrawn.

In paragraph 5 of the Office Action, the Examiner states that the application lists 46 related applications at pages 1-6 of the application without a statement regarding the relevance thereof. Accordingly, the Examiner did not consider the references. Applicant submits that pages 1-6 list all the relevant data for the incorporated references and that with the specification, the specific relevance of these incorporate references is defined. For example, on page 20 lines 14 and 15 the application refers to specific applications for more details about what was just described. For the foregoing reasons it is submitted that the Examiner should consider these applications. In fact, the Applicant will submit these applications, publications and/or patents with an IDS with the formal submission of the response to this Office Action.

In paragraphs 6 and 7 of the Office Action, the Examiner rejected claims 33-44 and 78-87 under 35 USC 112, second paragraph as being indefinite because the claims recited "method" when it should have been "system". Claim 33 has been amended to correct the typographical error and recite "system" instead of "method". Claim 78 has been canceled without prejudice. The rejection of claims 33-44 should accordingly be withdrawn.

In paragraph 8 and 9 of the Office Action, the Examiner rejects claims 1-73 and 78-89 under 35 USC §103(a) as being unpatenable over *Hendricks et al. (USP 6,463,585)* in view of *Labeeb et al. (US Publication 2003/0093792)*. In paragraph 10 of the Office Action, the Examiner rejects claim 74 under 35 USC §103(a) as being unpatenable over *Hendricks et al.* in view of *Labeeb et al.* and *Hite et al. (USP 6,002,393)*. In paragraph 11 of the Office Action, the Examiner rejects claims 75-77 and 90-107 under 35 USC §103(a) as being unpatenable over *Hendricks et al.* in view of *Labeeb et al.* and *Barton (US Publication 2001/0049820)*.

Independent claim 1 is directed to a method for delivering targeted advertisements to a subscriber with video that the subscriber selected to receive from a video on demand system. The method includes selecting the video and determining available advertisement opportunities in the selected video. Advertisement profiles are received. The advertisement profiles define traits for an associated advertisement and traits for an intended target market of the associated advertisement. The intended target market traits include presence or absence of specific transactions. A determination is made with regard to the advertisements available for delivery with the video by comparing the advertisement traits and the available advertisement opportunities. Associated subscriber transaction data is searched for the presence or absence of the specific transactions defined in the intended target market traits. At least a subset of the targeted advertisements are selected from the available advertisements based on said searching. The selected video and the targeted advertisements are delivered to the subscriber.

It is submitted that none of the cited references disclose or suggest a method as recited in independent claim 1. For example, none of the cited references disclose or suggest advertisement profiles that include intended target market traits defining presence or absence of specific transactions, searching associated subscriber transaction data for the presence or absence of the specific transactions defined in the intended target market traits, or selecting at least a subset of the targeted advertisements based on said searching. In fact, on page 5 of the Office Action, the Examiner states that *Hendricks et al.* do not disclose "the advertisement profile define traits for an intended target market of the associated advertisement, wherein the intended target market traits include presence or absence of specific transactions; searching associated subscriber transaction data for the presence or absence of the specific transactions defined in the intended target market traits".

The Examiner relies on *Labeeb et al.* for teaching "wherein the intended target market traits include presence or absence of specific transactions, and searching associated subscriber transaction data for the presence or absence of the specific transactions defined in the intended target market traits (see paragraph 0233, line 6+). The Applicant contends that the Examiners assertion is erroneous as this section of *Labeeb et al.* do not disclose or suggest these features. To the contrary, this section defines generating viewing profiles based on the monitored viewing

selections of various users. Based on these viewing profiles the system generates top ten lists. There is clearly no disclosure or suggestion in this section of *Labeeb et al.* of defining the presence or absence of specific transaction in an ad profile, or searching for the presence or absence of these transactions in transaction data in order to select a targeted ad, as required by claim 1. Moreover, it is submitted that neither the remainder of *Labeeb et al., Hite et al. nor Barton* disclose or suggest these features.

For at least the reasons discussed above, it is submitted that claim 1 is patentable over the cited references. Claims 2-32 depend from claim 31 and are submitted to be patentable for at least the reasons described above with respect to claim 1 and for the further features recited therein. Independent claims 33 and 45 are system and computer program claims respectively. These claims are submitted to be patentable over the cited references for at least reasons similar to those advanced above with respect to claim 1. Claims 34-44 and 46-49 depend therefrom and are submitted to be patentable over the cited references for at least the same reasons as the claims they depend from and for the further features recited therein. The rejections of claims 1-49 should accordingly be withdrawn.

Independent claim 90 has been amended to clarify what an alternative advertisement is. The claim is directed to a method for delivering targeted advertisements to a subscriber with video that the subscriber selected to receive from a video on demand system. The method includes selecting the video and determining available advertisement opportunities in the selected video. Advertisement profiles defining traits for an associated advertisement and traits for an intended target market of the associated advertisement are received. A determination is made as to the advertisements available for delivery with the video by comparing the advertisement traits and the available advertisement opportunities. The targeted advertisements are selected from the available advertisements by comparing the intended market traits to some combination of a subscriber profile that defines traits associated with the subscriber, traits associated with the selected video, household demographics, or traits associated with previously selected videos. The selected video and the targeted advertisements are delivered to the subscriber. The selected video and targeted advertisements are presented to the subscriber on a

viewing device. An alternative advertisement that is a shortened version of the targeted advertisement is presented when the subscriber fast-forwards or skips the targeted advertisement.

It is submitted that none of the cited references disclose or suggest a method as recited in independent claim 90. For example, none of the cited references disclose or suggest an alternative advertisement that is a shortened version of the targeted advertisement is presented when the subscriber fast-forwards or skips the targeted advertisement. In fact, on page 27 of the Office Action, the Examiner states that neither *Hendricks et al.* nor *Labeeb et al.* disclose "presenting an alternative advertisement when the subscriber fast-forwards or skips the targeted advertisement". The Examiner relies on *Barton* to disclose an alternative advertisement (next ad when fast-forwarded). The claim has been amended to clarify that the alternative ad is a shortened version of the targeted ad. There is clearly no disclosure or suggestion in *Barton* of presenting an alternative advertisement that is a shortened version of the targeted advertisement when the subscriber fast-forwards or skips the targeted advertisement, as required by claim 90.

For at least the reasons discussed above, it is submitted that claim 90 is patentable over the cited references. Claims 91-101 depend from claim 90 and are submitted to be patentable for at least the reasons described above with respect to claim 90 and for the further features recited therein. Independent claims 102 and 106 are system and computer program claims respectively. These claims are submitted to be patentable over the cited references for at least reasons similar to those advanced above with respect to claim 90. Claims 103-105 and 107 depend therefrom and are submitted to be patentable over the cited references for at least the same reasons as the claims they depend from and for the further features recited therein. The rejections of claims 90-107 should accordingly be withdrawn.

Conclusion

For the foregoing reasons, Applicant respectfully submits that claims 1-49 and 90-107 are in condition for allowance. Accordingly, early allowance of claims 1-49 and 90-107 is earnestly solicited.

Should the Examiner have any questions or concerns prior to the Interview, the Examiner should contact the undersigned to discuss.

Respectfully submitted,

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